

Adjustments

Background:

The adjust/adjust-decrease/increase trail is necessary for audit as well as for statistical purposes. Adjusting the amount due maintains the integrity of the record and leaves an audit trail, which can be reviewed easily by management. For statistical purposes, it is important to document adjustments to amounts because of the impact on the revenue generated by the courts.

A/R adjustments must be:

- Dismissed by the judge (judicial order in court on the record), by the clerk upon “proof of” compliance as detailed in the Uniform Fine and Bail Schedule (UF&BS) and CJA Rule 4-704, for specific offenses, or to correct a data entry error.
- Supported by documentation in the daily accounting records, with physical or scanned case file/citation, or on the record (audio/video) if proof presented in court.
- Entered so allocations are proper, e.g., adjustments/adjust-decrease/increase applied to a specific charge as authorized in UF&BS or toward the entire revenue balance, if indistinguishable.
- Reconciled to the authorization and supporting documentation daily by the accountant clerk or quarterly by the employee performing external review procedures (limited staff) to ensure these transactions.

Note: In the CORIS system (District Court), the *adjustment* transactions are entered. In the CARE system (Juvenile Court), *adjust-decrease and increase* transactions are entered.

Policy:

1. CJA Rule 4-704 establishes the authority of clerks to dismiss certain offenses based on proof that the defendant was not in violation with the law when the citation was issued, or has since complied.¹
2. If an offense is dismissed based on “proof of” documentation provided to a clerk, the offense should be dismissed *before* processing a payment for another offense on the same case/citation.
3. If an accounts receivable/order account is set-up in error, the offense should be dismissed and the accounts receivable amount adjusted down by the offense amount per the UF&BS.

¹Offenses include violation of Section 53-3-217, 41-1a-214, 41-12a-303.2, 41-12a-302, 53-3-227, and repair of mechanical deficiency (fix-it ticket) signed off by a law enforcement officer.

4. An accounts receivable/order account is adjusted when an amount is no longer due. The judicial order or UF&BS and the “proof of” documentation are support for the adjustment.
5. A clerk is authorized to adjust an account receivable/order account to zero based on the documentation of a defendant’s death, e.g., copy of an obituary, vital statistics record of death, or newspaper article. A defendant's fines, fees and costs expire upon death. A note of the defendant’s death should be entered in the case history and the case closed.
6. An accounts receivable is adjusted to correct data entry errors or when an amount is no longer due, e.g., when a plea in abeyance agreement is violated and the fee is changed to a fine account.
7. When an accounts receivable amount is adjusted, the clerk should accurately document the reason for the adjustment, e.g., error correction, the adjusted amount is not due, etc.
8. The accounts receivable/order account should not be reduced by the credit/adjust-decrease amount authorized until “proof of” compliance is provided, e.g., community service hours completed, cost of treatment program, etc. Documentation presented to a clerk as “proof of” must be retained with:
 - a. the daily accounting records on the date the credit/adjust-decrease was issued;
 - b. the physical or scanned image of the case file/citation; or

On the record (audio/video), if “proof of” is presented to the judge in court a copy of the documentation is not required. If a copy is only placed in the physical case file/citation, the case file must be retained four years plus the current year per Code of Judicial Administration (CJA) Appendix F.

District Court:

Clerk

1. The reason entered by the clerk for issuing an adjustment should describe the situation and agree to supporting documentation.
2. Cases, charges, or amounts dismissed by a judge or commissioner are handled as follows:
 - a. If a fine receivable was not set-up on the case before the dismissal, the case disposition may be changed to "Dismissed" and no accounts receivable adjustment is necessary.
 - b. If a fine accounts receivable was set-up on the case before the dismissal, the fine account (all associated revenue codes) should be ADJUSTED by the in-court clerk using the Revenue A/R screen, and the case disposition should be "Dismissed."
 - c. If a remaining accounts receivable balance is dismissed post sentencing, after a partial payment(s) has been received, the payment(s) should be re-distributed so the revenue distribution is accurate using the Post-sentence screen, e.g., judge imposes original jail sentence, defendant deceased, etc.

- d. If a cashier is responsible for correcting the error and management has restricted access to the A/R Accounts Receivable, then a credit can be issued with a note explaining the amount is not due.
3. An offense dismissed by a clerk, as outlined in the UF&BS upon “proof of,” is handled as follows:
 - a. If a fine receivable was not set-up on the case before the offense was dismissed, the offense disposition may be changed to "Dismissed" and no accounts receivable adjustment is necessary.
 - b. If a fine accounts receivable was set-up on the case before the offense was dismissed, the fine account (all associated revenue codes) should be ADJUSTED by a clerk, other than the cashier using the Revenue A/R screen, and the offense disposition should be "Dismissed."
 - c. If a fine accounts receivable was set-up in error and the clerk does NOT have access to Revenue Accounts Receivable to adjust the fine to zero, then a credit can be issued. The clerk must enter a reason that states that the receivable was set up in error and the associated offense was dismissed. Refer to Credits Topic.
4. District Court charges dismissed upon “proof of” compliance with UF&BS requirements are closed by entering an offense disposition of “Dismissed.” No accounts receivable adjustment is entered unless the dismissal occurs after the cashier clerk has receipted a payment on an additional non-mandatory appearance charge (See # 3 b and c above).
5. District Court fine accounts that can be partially credited pursuant to compliance with UF&BS requirements are documented by a credit transaction issued through the cashing screen. Refer to the Credits Topic.

Accountant/External Review (limited staff)

1. Daily (accountant) or quarterly (external review) examine the adjustments listed on the journal Adjustments Report and verifies, for 100% or a sample of adjustments entered by all clerks, that the adjustment valid per judicial order or UF&BS, and support by “proof of” documentation (unless submitted in court then presentation of proof of completion is on the record). The employee should write a check mark next to the adjustments selected for review and note any non-compliance.
2. Non-compliance, errors, or irregularities (adjustments not supported by “proof of” documentation) should be reported to the Clerk of Court/designee.

Juvenile Court

Clerk

1. If an amount needs to be changed due to a data entry error or the amount is no longer due, adjust the order account by entering an adjust-decrease/increase. Enter an accurate reason for the adjustment. The judicial order or UF&BS for the offense amount should support the adjustment.
2. When the judge authorizes credit for community service, treatment costs, etc. or the UF&BS states “dismissed,” an adjust-decrease is entered. Refer to the Credits Topic.

Accountant/External Review (limited staff)

1. Daily (accountant) or quarterly (external review) the adjustments listed on the journal Adjustments to A/R Report and verifies, for 100% of adjustments entered for dismissed amounts or error corrections by all clerks, that the adjustment is valid per judicial order or UF&BS, and support by “proof of” documentation (unless submitted in court then presentation of proof of completion is on the record). The employee should write a check mark next to the adjustments selected for review and note any non-compliance.
2. Non-compliance, errors, or irregularities (adjustment not supported by “proof of” documentation) should be reported to the Clerk of Court/designee.